

BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Business Meeting)
_____)

CALIFORNIA ENERGY COMMISSION
HEARING ROOM A
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, MARCH 25, 2009

10:03 A.M.

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMISSIONERS PRESENT

James D. Boyd, Vice Chairperson

Arthur Rosenfeld

Jeffrey D. Byron

Julia A. Levin

STAFF PRESENT

Melissa Jones, Executive Director

William Chamberlain, Chief Counsel

Harriet Kallemeyn, Secretariat

Dale Rundquist

Thom Kelly

Suzanne Korosec

Sylvia Bender

Bill Pennington

Valerie Hall

Jim Folkman

Joe O'Hagan

Norm Bourassa

Marla Mueller

Mike Smith

Larry Smith

Derek Davis

Atlas Hill

PUBLIC ADVISER

Elena Miller

ALSO PRESENT

Melissa Foster, Attorney
Stoel Rives, LLP

Gary Chandler, President
Apex Power Group, LLC

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I N D E X

	Page
Proceedings	1
Items	1
1 Consent Calendar	2
2 Panoche Energy Center	2
3 Public Interest Energy Research Annual Report	6
4 Gas Technology Institute	20
5 MRW & Associates, Inc.	22
6 Rice University James A. Baker III Institute for Public Policy	26
7 Kenneth B. Medlock, III, PhD	28
8 Aspen Environmental Group	31
9 California Commissioning Collaborative	34
10 Building Media, Incorporated	37
11 New Solar Homes Partnership Call Centers	42
12 Hydrologic Research Center	57
13 CTG Energetics, Inc.	63
14 University of California, Los Angeles	68
15 University of California, Irvine	72
16 University of Missouri, Columbia	79
17 California Department of Technology Services	82
18 Andes Consulting, LLC	84
19 Public Sector Consulting Services	86
20 Camco Communications Corporation	88

I N D E X

	Page
Items - continued	
21 Minutes	94
22 Commission Committee Presentations/ Discussions	94
23 Chief Counsel's Report	100
24 Executive Director's Report	102
25 Legislative Director's Report	102
26 Public Adviser's Report	102
27 Public Comment	102
Adjournment	102
Certificate of Reporter	103

P R O C E E D I N G S

10:03 a.m.

VICE CHAIRPERSON BOYD: Good morning, everybody. Welcome to the March 25th business meeting of the California Energy Commission. As you may note, the Chairman, at the last minute, is unable to be here today, but we have a quorum and business will go on.

The Chairman is over in the Governor's Office handling some issues with them for us, so we'll carry on.

Please join me in the Pledge.

(Whereupon, the Pledge of Allegiance was recited in unison.)

VICE CHAIRPERSON BOYD: Thank you, and thank you all for being here.

Just to reference the agenda, it's my understanding there are no agenda changes, so we can move right into the agenda as printed.

So, first item is the consent calendar.

COMMISSIONER ROSENFELD: I move the consent calendar.

VICE CHAIRPERSON BOYD: There's a motion.

COMMISSIONER LEVIN: Second.

1 VICE CHAIRPERSON BOYD: There's a
2 second.

3 All in favor?

4 (Ayes.)

5 VICE CHAIRPERSON BOYD: Any opposed?
6 None. The consent calendar is approved four to
7 nothing. Thank you.

8 Item number 2 -- oh, okay, we're going
9 to get into language problems. Panoche or
10 Panoche, depending upon your personal dissuasion,
11 perhaps, or persuasion.

12 Possible approval of Panoche Energy
13 Center, LLC's petition to amend their final
14 Commission decision. And I'll let staff give us
15 the details. Good morning.

16 MR. RUNDQUIST: Good morning,
17 Commissioners. My name is Dale Rundquist and I'm
18 the compliance project manager for the Panoche, I
19 say Panoche, Energy Center project.

20 On October 23, 2008, Panoche Energy
21 Center, LLC, the owner of Panoche Energy Center
22 project, submitted a petition requesting to modify
23 the proposed 2.5 acre PG&E substation expansion by
24 adding an additional 6.5 acres of prime farmland
25 to accommodate the installation of a new acre-and-

1 a-half-plus configuration.

2 The Panoche Energy Center project will
3 be a 400 megawatt peaking power plant located
4 approximately 12 miles southwest of the city of
5 Mendota, and two miles east of interstate 5 on
6 Panoche Road in Fresno County.

7 The project was approved by the
8 California Energy Commission on December 19, 2007.
9 And it is approximately 65 percent complete in the
10 construction process.

11 The amended farmland mitigation
12 agreement is expected to be finalized next month.
13 The project owner will pay additional fees to the
14 San Joaquin River Parkway and Conservation Trust.

15 This change is based upon information
16 that was not available to the parties prior to the
17 Commission decision.

18 The proposed substation expansion is
19 needed to accommodate several interconnection
20 design changes and reliability improvements that
21 were identified by PG&E after the California
22 Energy Commission's final decision was issued.

23 Staff recommends approval of the staff-
24 revised petition.

25 VICE CHAIRPERSON BOYD: Thank you. Do

1 we have representatives of the applicant here to
2 speak to the item?

3 MS. FOSTER: Yes. Good morning,
4 Commissioners. My name is Melissa Foster with
5 Stoel Rives, on behalf of the project owner,
6 Panoche Energy Center.

7 MR. CHANDLER: Good morning. My name is
8 Gary Chandler. I was the developer of the
9 project, and I'm here representing the owner. I
10 appreciate we didn't get into a discussion on
11 names again. We went through that for --

12 (Laughter.)

13 COMMISSIONER ROSENFELD: Why don't you
14 just rule what it's called?

15 MR. CHANDLER: Pardon me?

16 COMMISSIONER ROSENFELD: Why don't you
17 just tell us what to call it?

18 MR. CHANDLER: Well, we call it Panoche
19 because the road is West Panoche Road.

20 COMMISSIONER ROSENFELD: Okay.

21 VICE CHAIRPERSON BOYD: It is now
22 Panoche.

23 (Laughter.)

24 VICE CHAIRPERSON BOYD: Anything more
25 you'd like to say on the item?

1 MS. FOSTER: No. We concur with Mr.
2 Rundquist.

3 VICE CHAIRPERSON BOYD: Commissioners,
4 any questions?

5 COMMISSIONER BYRON: Well, yes.

6 VICE CHAIRPERSON BOYD: Commissioner
7 Byron.

8 COMMISSIONER BYRON: We reviewed this in
9 the Siting Committee and I'm going to, of course,
10 recommend that my fellow Commissioners approve
11 this item.

12 But, you know, I've seen these kinds of
13 things come up in projects before. This is
14 another six and a half acres that's taken out of
15 farming. And I mentioned this to someone
16 yesterday in our government that was quite
17 concerned about this because it continues to
18 happen. But this is progress, I suppose.

19 These last-minute kind of surprises,
20 you're 65 percent through construction, and we go
21 to a breaker and a half kind of design now on the
22 substation. This was not known at the time of the
23 start of construction, correct?

24 MR. CHANDLER: It was not known, no.
25 We, in our discussions with PG&E at that time we

1 had 2.5 acres and that was what we expected them
2 to do. But I think, as Mr. Rundquist indicated,
3 as they began reviewing the substation and looking
4 at how they could improve the substation
5 reliability and make it a better, long-term
6 substation, they determined that was more fitting
7 to expand it to 9 acres rather than 2.5.

8 COMMISSIONER BYRON: Um-hum. Yeah, I've
9 experienced this, myself, of course. These
10 October surprises or end-of-year surprises are a
11 bit of a problem for projects. I'm glad you're
12 able to accommodate it. I won't press you more on
13 the details. I do appreciate your being here
14 today. And I'd like to move the item.

15 COMMISSIONER ROSENFELD: Second.

16 VICE CHAIRPERSON BOYD: There's a
17 motion and a second.

18 All in favor?

19 (Ayes.)

20 VICE CHAIRPERSON BOYD: Opposed? None.
21 The motion carries four to nothing.
22 Congratulations and thank you. Good luck on --

23 COMMISSIONER BYRON: Yes.

24 MS. FOSTER: Thank you very much.

25 VICE CHAIRPERSON BOYD: Agenda item

1 number 3. Public Interest Energy Research or
2 PIER's annual report. Possible approval of the
3 PIER 2008 annual report to the Legislature. Mr.
4 Kelly.

5 MR. KELLY: Thank you, Commissioners.
6 Back in '96 the Legislature created the California
7 Electricity Experiment. And at the time gave the
8 Energy Commission authority to spend public
9 interest monies on public interest research and
10 development that the market simply is not designed
11 to respond to. So, if the market won't do it,
12 somebody has to do it, and the Energy Commission
13 was asked to provide this public interest R&D.

14 The Legislature requires us every year,
15 in return for giving us this money to administer,
16 requires that we report to them a whole host of
17 items. We have to let them know what funding
18 awards we made during the year. We have to tell
19 them the progress that these helped make towards
20 goals.

21 We have to name the people and the
22 businesses who receive the awards. We have to
23 talk about the actual kinds of projects that we
24 funded.

25 They want to know what the cost and

1 benefits are for what these research is achieving
2 for California. And they also ask us for
3 recommendations for program improvement where we
4 see it's needed.

5 And this report does all of these
6 things. It satisfies the legislative requirement,
7 and it gives more information than they ask for.

8 What we've -- we report on the different
9 categories of research. We look at energy
10 efficiency and demand response. We look at
11 renewables. We look at clean, new generation. We
12 look at transmission and distribution
13 improvements. We look at transportation. And we
14 look at energy-related environmental research.
15 These categories are the ones that are used to
16 report to the Legislature on our progress.

17 In this particular annual report what
18 we've added is some, a strategic view. We list
19 and enumerate the strategies that we pursue to try
20 to make sure all the good R&D is done, the most
21 important that we can find following energy
22 policy. And we also ask for, from the staff, and
23 the Committee has required us to add some forward-
24 looking components: Why are we doing some of the
25 research we're doing in each of these areas. It's

1 not just happenstance, it's by design. That's
2 included in this annual report, as well.

3 It encompasses some 141 new projects.
4 This is on top of over 400 ongoing projects that
5 the staff has. And it's quite a lot. And it all
6 is trying to do the best public service we can for
7 the \$82.5 million of electricity and natural gas
8 research that's ongoing.

9 So, we give you the report. Oh, I
10 should please take a moment to introduce Steve
11 Williams, for those of you who may not know Steve.
12 He's our principal author for this report. And
13 he's done more than yeoman duty for the Committee.

14 VICE CHAIRPERSON BOYD: Thank you.
15 Thank you, Mr. Williams, for your contribution.
16 Let me make a couple of comments, if I might, on
17 behalf of myself and the Chairman, who constitute
18 the, at the present time, the Research Committee.

19 And just comment to the fact that over
20 the last couple of years quite a bit of effort has
21 been made to continually, let's just say, expand
22 and improve the report in response to concerns
23 that have been expressed by some of the readers
24 and recipients that they're not getting enough out
25 of it.

1 So I think last year's report was better
2 received. And I am trusting very much that this
3 year's report will even be more better received.

4 One thing that was asked for by the
5 Committee at the very last minute was the
6 insertion of a couple of figures. And I have
7 distributed both of them to my fellow
8 Commissioners. We don't see these as significant
9 changes requiring any kind of formal errata or
10 what-have-you. This is a report for the
11 Legislature. But it was just an attempt, let's
12 just say, to take readers through the process.

13 I mean research does involve taking, as
14 Mr. Kelly has mentioned, a concept from basic
15 research phase all the way to commercialism. And,
16 you know, we do try to see that people get walked
17 through the valley of death, as it's called, the
18 investment valley of death, as much as possible.

19 And, you know, this whole process
20 involves a great many investment steps along the
21 way. It takes many years. People have difficulty
22 comprehending that. They want to see an
23 investment and then they want to see a return
24 pretty quickly.

25 So this figure 2.1, as it's called, is

1 an attempt to kind of show what the steps are, and
2 who perhaps some of the recipients are. So this
3 is a change that will be made in the report before
4 it's distributed to the Legislature.

5 The second thing I would like to say,
6 that is in spite of the improvements we've made to
7 this report, and the report has -- the statute has
8 specific criteria on what the Legislature wants to
9 see -- we've continued to have concerns, questions
10 and criticisms, and even a couple of legislative
11 hearings, delving into our program.

12 And last year there was a recommendation
13 made by the Committee that we needed to produce
14 another document that would explain the program in
15 more lay terms, if I can use that term. And would
16 demonstrate some of the successes.

17 I mean we start, we carry through the
18 process, and we've had wins, I guess I would call
19 them. And so the staff has been working mightily
20 to produce such a document. And actually a few
21 minutes before today's meeting I was handed the
22 final draft. I've been through many drafts.

23 It was our desire, as a Committee, that
24 this document may be done in time to accompany the
25 more legislatively directed report, such that they

1 would receive the package and hopefully would
2 begin to explain to those who haven't had enough
3 time to spend time with our research program, what
4 it is we're about and some of the really good
5 successes we've had.

6 So I am pleased to say that when we
7 presumably approve this report today for
8 distribution to the Legislature, we will also be
9 able to send this other document along.

10 So I would just commend all the staff
11 involved, both the research staff and Ms. Jones'
12 staff, our public information folks and what-have-
13 you, for the herculean effort they've put into
14 putting this together and working with the
15 Committee and accepting our suggestions and
16 recommendations for additions, corrections and
17 hopefully improvements. So, that's another first.

18 Lastly, I'd just like to just kind of
19 make some personal, well not exactly personal,
20 observations, but a) as a long-time member of this
21 Commission now, b) as a member of the Research
22 Committee, and also as Chairman of the State's
23 Climate Action Team's research and development
24 subgroup for some time now, I've been exposed to
25 an awful lot of research activities in the state.

1 It's, of course, been very interesting
2 to see what other state organizations do, as they
3 approach the research subject. And, I'm kind of
4 pleased to say that this organization and the PIER
5 program are used as an example by many other
6 agencies of a way that research should be
7 approached and carried out.

8 And as we accomplish better coordination
9 and consolidation of just the climate research,
10 the overall PIER program has proven to be a
11 guidepost for other agencies on how they might
12 carry out research.

13 We are fortunate, more fortunate than
14 many, to have a very sizeable research program,
15 which is why the organization here set up the
16 program that it has.

17 It's also been interesting for me to
18 note that long before there was the infamous
19 loading order, which is what guides this agency
20 and the PUC, I call it the Magna Carta, between
21 the two agencies. But --

22 COMMISSIONER ROSENFELD: And you
23 shouldn't call it infamous.

24 VICE CHAIRPERSON BOYD: You're correct.
25 I misused that word. The very famous loading

1 order. In any event, if you go back through the
2 annals of this organization you'll find the PIER
3 program was concentrating years ago on research
4 that was consistent with the goals and objectives
5 that that loading order lays out.

6 So, the organization has known what
7 needs to be done; has perhaps too silently carried
8 on a lot of that work. And we turn out being
9 quite consistent in our IEPR recommendations with
10 what turns out to be the needed policy of the
11 state. And there's always been a floor of
12 research provided by this organization under those
13 policies.

14 So while there's been a lot of criticism
15 of certain aspects, some of them administrative,
16 some of them just lack of marketing, overall I
17 think everybody here should be proud of the
18 program that's carried on.

19 And what I've seen in my term here, the
20 total integration, the knocking down of all the
21 stovepipes that might have existed between
22 research and the core programs of this agency such
23 that research supports the core program, supports
24 the major goals and objectives of the state energy
25 program, as reflected in the IEPR and certainly as

1 reflected in the loading order.

2 So, I'm hoping this is the -- we've
3 reached the summit in terms of explaining our
4 program, reports on our program. And I'm looking
5 forward to hopefully some positive feedback from
6 the Legislature.

7 But I would just say, kind of in
8 closing, that it's incumbent upon us to recognize
9 the need to market that which we do. And
10 constantly provide, you know, take-away examples
11 for people of the positive accomplishments that
12 are accomplished through R&D.

13 I mean R&D is just that, research and
14 development. And you don't win them all.
15 Unfortunately, in the public sector they expect
16 you to win them all. They expect you not to
17 invest in anything that doesn't win. But then
18 it's not really research.

19 So, we've had a pretty good -- an
20 awfully good track record of success. We just
21 haven't talked about it enough. Well, maybe we've
22 crossed that threshold now.

23 So I commend the staff for what they've
24 done, and for developing what I hope becomes a
25 famous report and track record for this agency.

1 So, thank you for allowing me this extra time to
2 talk about the document.

3 EXECUTIVE DIRECTOR JONES: Commissioner
4 Boyd, --

5 VICE CHAIRPERSON BOYD: Yes.

6 EXECUTIVE DIRECTOR JONES: -- if I might
7 add, we're not stopping at the report that you
8 have today in terms of a layperson's document.
9 We're looking at preparing a document such as you
10 have today for each of the different program areas
11 within PIER.

12 We're going to be looking at the
13 buildings area since we have so many successes in
14 that area. And since our research directly feeds
15 into our appliance and building standards. So
16 that's the next installment that you can expect to
17 see.

18 VICE CHAIRPERSON BOYD: I'm pleased to
19 hear we've got religion.

20 Any questions or comments?

21 COMMISSIONER ROSENFELD: A comment. I
22 think Commissioner Boyd has made a very convincing
23 case, so I won't -- and Melissa's adding to it --
24 so I won't say any more than that, other than I
25 think it's high time to commend the staff again

1 for both the report and this draft lay document,
2 which is going to have children apparently.

3 And I move the item.

4 VICE CHAIRPERSON BOYD: Thank you.
5 Commissioner Byron.

6 COMMISSIONER BYRON: If I may take a
7 moment to comment, as well, just in the interests
8 maybe of full disclosure. I was at the Electric
9 Power Research Institute when AB-1890 passed. And
10 I was in a meeting with the president of the
11 institute and the senior vice president of
12 research the next day.

13 And the immediate response to AB-1890
14 was not so much the concern about the deregulation
15 of the industry, it was that EPRI now had a
16 significant competitor to the job that they do.

17 And the immediate response was to clamp down,
18 no contact with the Energy Commission except
19 through his office at that point.

20 And I think that's softened and
21 obviously changed. But it helps to explain in my
22 mind maybe why there's a bit of a, I don't know, a
23 jaundiced approach to EPRI -- I'm sorry, to the
24 research that's done here at this Commission.

25 It's a threat. It's a threat to many

1 organizations. It's a threat to -- threat may be
2 too strong a word -- but there's competition as a
3 result of this.

4 I think I came to this agency somewhat
5 concerned about whether or not these funds are
6 being spent appropriately and the if the research
7 is being done well by qualified people. And I
8 have to say that I'm very convinced that it is. I
9 appreciate the staff's trying to map out the
10 course that it has to take, that the Legislature
11 lays out and then changes periodically, if not
12 often, makes it almost impossible to do, to set up
13 good research programs. They need continuity,
14 they need some length of time to develop.

15 I'd very much like to commend the staff.
16 I think we've reached just about the \$600 million
17 mark now. And I think there's tremendous success
18 to point back at. And we all know the Legislature
19 is going to continue to make it challenging to do
20 research. I think the staff does a commendable
21 job.

22 Having spent ten years at EPRI or
23 thereabouts, I can tell you that you do it as well
24 or better than EPRI does. And so, I'd very much
25 like to commend the staff.

1 I'd like to thank you, Mr. Kelly, for
2 taking the time to come up and brief me on this
3 report. And I take great pleasure in seconding
4 it. And would be more than happy to go over to
5 the Legislature and explain to them why I think
6 this work is valuable and that we need to continue
7 it.

8 VICE CHAIRPERSON BOYD: All right.
9 There's been a motion and a second. Some very
10 nice words by both Commissioners, which I much
11 appreciate. I would just say before calling for
12 the vote that the title of the lay document, as I
13 have called it, is a Decade of Advancing
14 California Technology. It's an attempt to catch
15 up on this marketing program.

16 And I guess it's our hope in future
17 years this kind of information will just be
18 integrated into the annual report, and each year
19 we'll give everybody the box score on how we've
20 advanced California technology within the
21 framework of the annual report.

22 So, with that I'll call for the vote.

23 All in favor?

24 (Ayes.)

25 VICE CHAIRPERSON BOYD: Opposed, none.

1 Approved three to nothing. Very good work.
2 Congratulations. And, of course, that means we
3 expect more and better next year.

4 All right. Item number 4, Gas
5 Technology Institute. Possible approval of
6 contract 500-08-037 for \$490,000 with the Gas
7 Technology Institute. I'll let Mr. Kerry --
8 Kelly, excuse me, explain the whys and where-ofs.
9 Mr. Kelly.

10 MR. KELLY: I've been called Tom Murphy,
11 too.

12 (Laughter.)

13 MR. KELLY: This project is a very
14 interesting one, especially to me. It takes toxic
15 gases out of a waste heat stream that otherwise
16 was going to be useless.

17 You can't use it; it's so harmful that
18 you can't really put turbines or anything on the
19 end, because it wears them out too much. The cost
20 is just too great. Besides, it has a lot of bad
21 stuff in it like chlorine.

22 So the scientists came up with a way of
23 simply putting little sodium pellets, not little,
24 but specially constructed sodium pellets, to let
25 the waste heat flow over that. It takes the bad

1 stuff out of it, and then is useful after that for
2 anything you want to, including just heating or
3 electricity generation.

4 This is -- in the aluminum re-smelting
5 industry this natural gas cost is something like
6 15 percent of the total operating cost. So that's
7 a significant hunk. And this will clean up the
8 waste heat to the point that it's about 25 percent
9 savings have been estimated.

10 When this goes into effect we think it's
11 going to have huge market penetration potential
12 because it'll give a comparative advantage to
13 somebody who can save that much money on their gas
14 bill, which is a significant part of their costs.

15 So, we've estimated it will save about a
16 half-a-trillion Btu annually in the state. And
17 these are big savings. So, we -- the industry
18 thinks it's such a big saving that we've managed
19 to leverage another \$470,000 of participating
20 money coming in to try to make this happen.

21 So we really like this project.

22 VICE CHAIRPERSON BOYD: Thank you, Mr.
23 Kelly. Before asking my fellow Commissioners -- I
24 would just add, in my responsibilities on the
25 Research Committee I did grill the staff pretty

1 neatly on this project. Because aluminum re-
2 smelting, you know, why are we going there. You
3 know, that's not a big deal in California.

4 And I learned it is a big deal in
5 California. There's a lot of re-melting
6 operations in the state. And you've heard the
7 rest of the story. So, any questions or comments?

8 COMMISSIONER BYRON: No.

9 COMMISSIONER ROSENFELD: I move the
10 item.

11 COMMISSIONER BYRON: Second.

12 VICE CHAIRPERSON BOYD: There's been a
13 motion and a second.

14 All in favor?

15 (Ayes.)

16 VICE CHAIRPERSON BOYD: Approved three
17 to nothing. Thank you, Mr. Kelly.

18 Item number 5, MRW and Associates, Inc.
19 Possible approval of amendment 1 to contract 150-
20 07-004 with MRW and Associates, Inc., adding
21 \$149,670 and a one-year time extension to assist
22 in preparing, reviewing and analyzing the
23 Integrated Energy Policy Report Committee-directed
24 utility reports related to nuclear power.

25 And I'll stop there and let Ms. Suzanne

1 Korosec explain the rest to us. Good morning.

2 MS. KOROSEC: All right, thank you. I'm
3 sitting in today for Barbara Byron, who is the
4 contract manager. She is unfortunately in Denver
5 this week chairing the Western Interstate Energy
6 Board's high-level radioactive waste committee
7 meeting.

8 She asked me to convey her apologies for
9 not being here and said she'll be happy to answer
10 any questions you have --

11 VICE CHAIRPERSON BOYD: She doesn't have
12 to apologize.

13 (Laughter.)

14 VICE CHAIRPERSON BOYD: Barbara is a
15 valuable asset.

16 MS. KOROSEC: Yeah. We're asking for
17 your approval of an amendment to an existing
18 contract with MRW and Associates to add funding to
19 the contract, and also extend the contract for a
20 year so that MRW and Associates can assist the
21 Energy Commission in implementing recommendations
22 from the Assembly Bill 1632 report that was
23 adopted last year with the 2008 Integrated Energy
24 Policy Report update.

25 AB-1632 required the Energy Commission

1 to evaluate the vulnerability of the state's
2 nuclear plants to a major disruption due to a
3 seismic event or plant aging; look at the impacts
4 of such a disruption; and the impacts of
5 accumulation of nuclear waste at the plants.

6 The 2008 IEPR update summarized the
7 recommendations in the AB-1632 report and directed
8 PG&E and SCE to report to the Energy Commission
9 starting in the 2009 IEPR on the status and
10 results of their seismic research at the plants;
11 updated review of tsunami hazards; evaluation of
12 seismic vulnerability of the nonsafety systems
13 like electrical switchyards; and the status and
14 results of their license renewal activities.

15 This amendment will allow MRW and
16 Associates to assist the Energy Commission in
17 reviewing and analyzing the utilities' reports on
18 those areas; summarizing lifecycle cost
19 assessments for nuclear generation; organizing and
20 participating in the 2009 IEPR workshop on nuclear
21 issues, which is scheduled for late July; and
22 drafting sections of the 2009 IEPR, as needed.

23 With that I'll ask for your approval of
24 the item.

25 VICE CHAIRPERSON BOYD: Thank you. Any

1 comments or questions from my fellow
2 Commissioners.

3 COMMISSIONER BYRON: Just one quick
4 question. 1632, was that Assemblymember
5 Blakeslee?

6 MS. KOROSEC: Blakeslee, yes, it was.

7 COMMISSIONER BYRON: Yes. Yes. I think
8 he has another piece of legislation pending again
9 this year on nuclear issues.

10 No, I have no other questions, thank
11 you.

12 VICE CHAIRPERSON BOYD: He's not going
13 to let go of earthquakes, either, as it relates to
14 facilities.

15 COMMISSIONER BYRON: Yeah. Commissioner
16 Boyd and I also ran into him last night and
17 chatted about this and other issues.

18 VICE CHAIRPERSON BOYD: Any other
19 questions? If not, a motion.

20 COMMISSIONER BYRON: I move the item.

21 COMMISSIONER ROSENFELD: I second it.

22 VICE CHAIRPERSON BOYD: There's been a
23 motion and a second.

24 All in favor?

25 (Ayes.)

1 VICE CHAIRPERSON BOYD: Approved four to
2 nothing, thank you very much.

3 Item number 6, Rice University James A.
4 Baker III Institute for Public Policy. Possible
5 approval of contract 800-08-001 for a \$150,000
6 three-year membership with the Energy Forum of
7 said institute for public policy at Rice
8 University.

9 And, of course, this membership
10 qualifies us for other opportunities, but I'll let
11 Ms. Bender explain that.

12 MS. BENDER: Good morning,
13 Commissioners. I'm Sylvia Bender with the
14 electricity supply analysis division.

15 In 1996 the Baker Institute established
16 the Energy Forum, a multifaceted policy program
17 that promotes original discussion and research on
18 energy-related challenges in the 21st century.

19 Staff is requesting approval for this
20 three-year membership with the Baker Institute's
21 Energy Forum for several reasons.

22 The Baker Institute has developed a
23 natural gas basecase assessment that evaluates
24 producing basins, infrastructure, demand sectors
25 and liquefaction or regasification potential

1 around the world.

2 This assessment examines both current
3 conditions and provides a ten-year outlook. With
4 some modifications this basecase model can serve
5 as a useful complement to staff's work in the 2009
6 IEPR.

7 Staff analyses for 2009 are focused on
8 understanding several key emerging issues in the
9 context of risk and uncertainty, rather than
10 producing a natural gas assessment as in previous
11 IEPRs.

12 The Baker Institute membership will
13 allow Commission Staff access to their natural gas
14 modeling work, access to the interdisciplinary
15 technical expertise of their faculty, and the
16 opportunity to influence topics of analyses that
17 are undertaken by the institute staff.

18 The Electricity and Natural Gas
19 Committee has approved this item, and I now ask
20 for your approval for this membership.

21 VICE CHAIRPERSON BOYD: Thank you.
22 Questions, comments from Commissioners?

23 COMMISSIONER ROSENFELD: I move the
24 item.

25 COMMISSIONER BYRON: Second.

1 VICE CHAIRPERSON BOYD: There's a motion
2 and a second.

3 All in favor?

4 (Ayes.)

5 VICE CHAIRPERSON BOYD: There being none
6 opposed it's approved four to nothing, and thank
7 you. I never knew we'd be contracting with this
8 institute. I don't know how many times over the
9 years I've worked here, I've declined invitations
10 to attend the events at the Rice University
11 Institute, just saying, you know, just too busy,
12 too busy, even if you want to pay for it, too
13 busy. And now we're contracting.

14 But I've done the same thing with
15 Commissioner Rosenfeld and many years of
16 invitations to meet with his friend Steven Chu
17 down at Lawrence Berkeley. No, no, I'm just too
18 busy, I'm too busy. I think that was a mistake.

19 (Laughter.)

20 VICE CHAIRPERSON BOYD: In any event.
21 Item number 7, Kenneth B. Medlock, III, PhD.
22 Possible approval of contract 800-08-002 for
23 \$46,000 over a three-year period with said
24 gentleman of the same institute forum to provide
25 technical support. And I'll let Ms. Bender

1 explain the rest.

2 MS. BENDER: All right. I'll continue
3 on this one. This contract would allow Dr.
4 Medlock, who is the primary model architect of
5 their natural gas model at the institute, to make
6 modifications to that model to accommodate
7 specific Energy Commission requirements for a
8 basecase.

9 These modifications would include
10 additional granularity of demand nodes for Canada,
11 the western United States and California.

12 Dr. Medlock would provide all data and
13 results from the modified basecase to the
14 Commission Staff, including a natural gas price
15 forecast, price differentials between hubs, demand
16 estimates and price elasticities by sectors,
17 including power generation. Estimates of LNG
18 imports and pipeline flow amounts.

19 Impacts of CO2 regulation on natural gas
20 supply and demand are expected to be incorporated
21 into their model in 2010.

22 The contract would allow Dr. Medlock to
23 present assumptions, inputs and results during
24 Commission-sponsored workshops and hearings for
25 the 2009 and 2011 IEPR cycles, as well as to

1 prepare a written report in support of the IEPR
2 process.

3 Again, the Electricity and Natural Gas
4 Committee has approved this item, and I ask for
5 your approval, as well.

6 VICE CHAIRPERSON BOYD: Thank you.
7 Questions, comments?

8 COMMISSIONER BYRON: None.

9 VICE CHAIRPERSON BOYD: A motion.

10 COMMISSIONER BYRON: I'll move the item.

11 COMMISSIONER ROSENFELD: And I'll second
12 it.

13 VICE CHAIRPERSON BOYD: There's a motion
14 and a second.

15 All in favor?

16 (Ayes.)

17 VICE CHAIRPERSON BOYD: Opposed, none.
18 It's approved four to nothing. Thank you. And,
19 don't go anywhere, Ms. Bender, --

20 MS. BENDER: One more.

21 VICE CHAIRPERSON BOYD: -- I see -- and
22 I'd just comment I sit with the Natural Gas and
23 Electricity Committee with Commissioner Byron as
24 chair. And we've been through exquisite detailed
25 briefings on these items in the past.

1 So, item number 8, Aspen Environmental
2 Group. Possible approval of work authorization
3 1910.002 for \$132,000 under contract 400-07-032
4 with Aspen Environmental Group for technical
5 support. And I'll stop there and let Ms. Bender
6 give us the details.

7 MS. BENDER: Okay, thank you,
8 Commissioner. This item is a work authorization
9 which comes under the division's umbrella
10 analytical capabilities improvement technical
11 support contract.

12 The work is in response to a 2007 IEPR
13 recommendation directing staff to review and
14 evaluate natural gas forecasting models to
15 ascertain which types of models or analytical
16 tools best match the Energy Commission's needs.

17 Under this work authorization Staff and
18 the technical consultants will first characterize
19 current and potential purposes for the natural gas
20 analysis that's done at the Commission.
21 Evaluation of at least four model platforms that
22 could achieve these purposes will then be
23 conducted.

24 The contractor will use a process
25 designed by staff specifically for evaluating the

1 feasibility and usefulness of different modeling
2 methodologies.

3 The contractor will be responsible for
4 obtaining licenses to review these for review
5 purposes; obtain a California dataset; and walk
6 staff through the models using California-specific
7 data.

8 A staff recommendation will follow based
9 on the results of the Aspen team evaluation and
10 staff input and findings.

11 We expect this entire review process to
12 take approximately seven months. And, again, the
13 Electricity and Natural Gas Committee has reviewed
14 this work and supported this work authorization.
15 So I hope that the full Commission will, as well.

16 VICE CHAIRPERSON BOYD: Thank you.

17 COMMISSIONER ROSENFELD: Sylvia, I have
18 a question for you.

19 MS. BENDER: Yes, sir.

20 COMMISSIONER ROSENFELD: It's not clear
21 on item 8 who's funding this.

22 MS. BENDER: It's being funded out of
23 our ERPA technical support contract. It's an
24 umbrella technical support contract. This is one
25 work authorization among many that will come under

1 that contract.

2 VICE CHAIRPERSON BOYD: Any other
3 questions? Commissioner Byron.

4 COMMISSIONER BYRON: Perhaps I should
5 have said this at the beginning of these three
6 items. Clearly they're all related. And as
7 Commissioner Boyd indicated, we did review these
8 in some detail in the Electricity and Natural Gas
9 Committee.

10 And I think this is primarily in
11 response to our interest in seeing the staff
12 improve its capabilities, gain a better
13 understanding of what's going on in this complex
14 natural gas market. And gain access to some of
15 that expertise elsewhere.

16 Of course, we're also anticipating that
17 this will make our staff better informed and
18 smarter, so that they will be able to do their
19 analysis with some more confidence in detail.

20 Of course, all this forecasting, I'm
21 always reminded, you never get forecasting right.
22 But we do want to be as knowledgeable about this
23 as we can. A lot of folks look to us when prices
24 go up and when prices go down, and wonder why we
25 didn't get it right.

1 But it is an extremely complicated
2 market, and these are all related to improving the
3 staff's knowledge and understanding so we can do
4 our job better.

5 So, I believe it's been forwarded. If
6 not, I will move this item for approval.

7 COMMISSIONER ROSENFELD: Second.

8 VICE CHAIRPERSON BOYD: There's a motion
9 and a second.

10 All in favor?

11 (Ayes.)

12 VICE CHAIRPERSON BOYD: Opposed, none.
13 So it's approved four to nothing. Thank you,
14 Sylvia.

15 Item 9, California Commissioning
16 Collaborative. Possible approval of contract 400-
17 08-005 with the California Commissioning
18 Collaborative for \$50,000. Mr. Pennington, if you
19 will explain the details.

20 MR. PENNINGTON: Good morning,
21 Commissioners. My name is Bill Pennington; I'm
22 the manager of the high performance buildings and
23 standards development office at the Energy
24 Commission, and I'm pleased to bring this item
25 before you today.

1 The purpose of this contract is to allow
2 the efficiency and renewable energy division to
3 maintain its membership on the California
4 Commissioning Collaborative, board membership, and
5 make a contribution to the total budget of the
6 collaborative.

7 So basically we can keep our eye on
8 their work and influence the whole portfolio that
9 they manage with contributions from all of the
10 IOUs and SMUD and the U.S. Department of Energy
11 and the California Department of General Services.

12 Our particular interest is making sure
13 that we accomplish building commissioning that is
14 in support of and helps to extend doing building
15 commissioning in newly constructed buildings in
16 support of our building standards.

17 We have what we call acceptance
18 requirements in the building standards that are
19 protocols for testing the correctness of the
20 installation of energy efficiency equipment and
21 controls that often are subject to defects in
22 their installation, particularly in commercial
23 buildings. And that's kind of a sort of a first
24 step of doing commissioning for the whole
25 building.

1 And so we were active in forming this
2 organization many years ago because of a strong
3 interest in promoting building commissioning in
4 new buildings. And doing that through our
5 standards, as well as working with the industry.

6 And so we're able, through this process,
7 to steer our money and oftentimes more money
8 towards support for building standards and support
9 for better training of the industry related to the
10 acceptance requirements in the building standards.

11 So I request your approval.

12 VICE CHAIRPERSON BOYD: Thank you, Mr.
13 Pennington. Any questions or comments from the
14 Commissioners?

15 COMMISSIONER ROSENFELD: Commissioning
16 has been a great success, and I move the item.

17 VICE CHAIRPERSON BOYD: There's a
18 motion.

19 COMMISSIONER LEVIN: Second it.

20 VICE CHAIRPERSON BOYD: And a second.

21 All in favor?

22 (Ayes.)

23 VICE CHAIRPERSON BOYD: Opposed, none.
24 It's approved four to nothing and very good,
25 congratulations.

1 Item number 10, Building Media,
2 Incorporated. Possible approval of contract 400-
3 08-004 for \$497,000 with Building Media,
4 Incorporated, to develop the California Energy
5 Standards Online Learning Center. And I'll let
6 Mr. Pennington elaborate.

7 MR. PENNINGTON: Thank you. This is a
8 contract that implements a grant award that we
9 received from the U.S. Department of Energy to
10 conduct this particular work using this particular
11 contract capability, this particular contractor.

12 This was a competition that we were
13 involved in with the rest of the states in the
14 U.S. There were six awards. The maximum award
15 was \$500,000 per state. You know, there were
16 smaller awards in some cases. So we were awarded
17 the maximum amount.

18 The purpose really of this special grant
19 area is to advance state of the art building
20 energy efficiency standards, and to promote as
21 much as possible the enforcement and compliance
22 with those standards.

23 So in the past there's been a national
24 interest in having advanced standards and having
25 states adopt advanced standards. And there's a

1 growing awareness that it's critical to be placing
2 strong attention on achieving compliance with
3 those standards.

4 And so in the past we've been successful
5 in previous kinds of training awards and that sort
6 of thing. We're recognized for being innovative
7 in the area of training. And this is sort of a
8 next step for everyone.

9 We have, in the past, developed videos
10 that helped train specific aspects of the
11 standards. And we have worked with this
12 contractor in the past, Building Media, Inc., to
13 do those videos. And they've done a tremendous
14 job for us.

15 They have some particular people that
16 have very skilled training at presenting on
17 videos, people that were involved in This Old
18 House-level of delivery. And they also are very
19 skilled at production of video. They have a very
20 good team; they have a very strong ability onsite
21 to deliver video production.

22 And so we're really pleased to be
23 working with them again. This particular online
24 training center will provide a access,
25 particularly by building officials, to modules

1 that explain the standards and break the standards
2 down into information that's particularly suited
3 to the plan checkers or the field inspectors or
4 the counter staff at building departments. And
5 provide the information in easy-to-digest pieces
6 that can be reviewed remotely by building
7 department staff to gain knowledge about the
8 standards.

9 And we've discussed this approach with
10 CALBO, the California Building Officials
11 Association. They're enthusiastic about this.
12 They see it as a breakthrough for getting
13 information to building department staff.

14 So we're very enthusiastic about getting
15 started with this work and think it will be a very
16 good thing to do.

17 VICE CHAIRPERSON BOYD: Thank you.
18 Questions, comments?

19 COMMISSIONER BYRON: A quick question,
20 if I may. My father was a building official, ran
21 the department for the city that I grew up in.
22 And as I read through this I think about the
23 training that it provides and it sounds, Mr.
24 Pennington, as though it's extremely valuable and
25 needed.

1 But what prompts them to go watch this?
2 You know, what -- I have to do online training
3 here as a state employee, as I suspect you do,
4 also, and I have to do it. Because when I get to
5 the end and the box is checked, and then I'm
6 approved for that training.

7 MR. PENNINGTON: Right.

8 COMMISSIONER BYRON: How do we
9 accomplish that same kind of have-to-look-at-these
10 kind of goal.

11 MR. PENNINGTON: Through a variety of
12 things, I think. First off, this training will
13 track a person through the content. And they will
14 get a exam and they'll be given feedback on each
15 element. And at the end they would be granted a
16 certificate for accomplishing that, that can be a
17 credential that they can use in their advancement
18 through their promotional structure within
19 building departments.

20 CALBO maintains a state-required
21 certification program for building officials to
22 maintain currency with building code requirements.

23 COMMISSIONER BYRON: Good.

24 MR. PENNINGTON: In the past energy has
25 not really gotten very high on their radar in

1 terms of importance in that system. And we're
2 expecting that this program will help them raise
3 that importance and that we will have
4 certification through their kind of statewide
5 certification program as a result of working on
6 this, too.

7 COMMISSIONER BYRON: Well, I applaud
8 your efforts to continue to try and improve upon
9 the lack of, I should say, compliance that we're
10 seeing. And so this is another way to do that.
11 So I hope it works well, it seems like a very good
12 idea.

13 VICE CHAIRPERSON BOYD: Any other
14 comments or questions?

15 COMMISSIONER ROSENFELD: Just to add
16 that with the stimulus funding we're going to be
17 short on trying to go forward, so this is all the
18 more important.

19 And so I move the item.

20 COMMISSIONER BYRON: Second.

21 VICE CHAIRPERSON BOYD: There's a motion
22 and a second.

23 All in favor?

24 (Ayes.)

25 VICE CHAIRPERSON BOYD: Motion carries

1 four to nothing. The item is approved. Thank
2 you, Mr. Pennington.

3 Item 11, New Solar Homes Partnership
4 call centers. Possible approval of amendments to
5 the call center contracts with three utilities
6 adding funding and a 24-month time extension for
7 application processing and call center activities
8 within their various territories.

9 MS. HALL: Good morning, Commissioners.
10 I'm Valerie Hall, I'm with the --

11 VICE CHAIRPERSON BOYD: We have Valerie,
12 not Mark Hutchison.

13 MS. HALL: Yeah, I thought I'd point out
14 I'm not Mark Hutchison. I'm Valerie Hall with the
15 efficiency and renewable energy division.

16 The item before you is an amendment to
17 three separate contracts with the investor-owned
18 utilities to administer the New Solar Homes
19 Partnership.

20 Some of the contractual activities to be
21 conducted by the IOUs include reviewing
22 reservation applications, reviewing payment
23 claims, facilitating participation of new home
24 construction projects in both the New Solar Homes
25 Partnership and the complementary IOU energy

1 efficiency programs.

2 They are also to help streamline the
3 application process by communicating with the IOU
4 energy efficiency program and interconnection
5 departments. Perform plan checks and train
6 applicants to the builders of solar retailers on
7 the New Solar Homes Partnership.

8 The New Solar Homes Partnership was
9 launched in January 2007 as a part of the
10 California Solar Initiative. It's dedicated to
11 incentivizing new, highly energy efficient solar
12 homes.

13 To date we've received a little over
14 7000 applications for the New Solar Homes
15 Partnership, achieving approximately 13 megawatts
16 of solar PV to be -- either is installed or to be
17 installed on new homes.

18 And remarkably, about 75 percent of the
19 applications have come in at the tougher tier two
20 level, which requires builders to exceed the
21 building standards, the basic Title 24 building
22 standards, by roughly 30 percent.

23 In 2007 the Commission approved the
24 outsourcing of the daily New Solar Homes
25 Partnership application processing to the three

1 investor-owned utilities, along with an initial
2 annual baseline funding of \$500,000.

3 It was noted that this annual allocation
4 was for the initial outsourcing costs, and further
5 resource needs would be assessed and requested as
6 needed.

7 COMMISSIONER ROSENFELD: The \$500,000
8 was for one year, Valerie?

9 MS. HALL: It was for the original
10 contract, which I believe was for a little over a
11 year.

12 Based on program activity and
13 anticipated growth, we determined that additional
14 resources were needed to continue the New Solar
15 Homes Partnership application processing
16 partnership with the IOUs.

17 And the new contract that's -- or
18 amendments that are before you today will -- some
19 of the newer work or more intense work that's
20 being performed is looking a plan checks and
21 training the applicants. That's a greater
22 emphasis in these new contract amendments.

23 I should note that a budget change
24 proposal was approved providing an additional
25 \$500,000 in baseline contract funding to bring the

1 total annual allocation to \$1 million. This
2 \$500,000 applies not only to the current fiscal
3 year, but for each of the two fiscal years of the
4 contract that are a part of the amendment.

5 The contract amendments, as I just
6 indicated, add two more years. So the current
7 contract would end at the end of this fiscal year.
8 This amendment is allowing not only a bump up in
9 the amount of money to \$1 million per year for
10 this year, next year and the following year, but
11 it creates that next year and following year
12 portion of the contract.

13 In conclusion, we're seeking your
14 approval for the following three contracts: For
15 Pacific Gas and Electric it's amendment number 1
16 to contract 400-07-005 adding \$1,392,851 along
17 with 24 months. That is a correction. The agenda
18 and the information before you had that last digit
19 as a 4; that was a typo. It should have been a 1.

20 VICE CHAIRPERSON BOYD: Do you want to
21 restate that? It's \$1,392,851, is that correct?

22 MS. HALL: Correct.

23 COMMISSIONER ROSENFELD: We just saved 3
24 bucks.

25 VICE CHAIRPERSON BOYD: Three dollars.

1 MS. HALL: We just saved \$3.

2 (Laughter.)

3 MS. HALL: We are looking for every
4 dollar we can save. The contract with San Diego
5 Gas and Electric is amendment number 1 to contract
6 400-07-006 adding \$540,409 and it includes the
7 additional 24 months, as did the one with PG&E.

8 And then the final contract is with
9 Southern California Edison. Again, amendment
10 number 1 to contract 400-07-007 adding \$566,740
11 and again 24 months.

12 So we are seeking your approval for
13 these three individual contract amendments.

14 VICE CHAIRPERSON BOYD: First, I think
15 procedurally we're going to have to take them
16 separately. But a question, if I might, Valerie.

17 Is there some type of performance
18 criteria that we establish for each of these. And
19 do they all perform to some single performance
20 criteria level, or do we have a different
21 criteria? How do you determine that they're doing
22 their job and deserve the money, et cetera, et
23 cetera?

24 MS. HALL: We are working with them
25 actually quite closely. We interact with them on

1 a very frequent basis, looking at the -- you know,
2 how they're doing the application process; how we
3 can, you know, looking at suggestions for how we
4 can improve that process.

5 How many applications they're reviewing.
6 We're trying to get the data on a monthly basis on
7 how many applications that actually come through,
8 so that we can continue to monitor the program and
9 provide oversight to assure that this is going as
10 well as possible.

11 VICE CHAIRPERSON BOYD: Do you feel that
12 all three are performing at more or less an
13 equivalent level or capacity?

14 MS. HALL: I think that all three are
15 performing. You will note that there is a
16 difference in the monetary amount between the
17 three. That PG&E has approximately twice the
18 amount of money as each of the other two. And
19 that reflects actually the activity in that
20 service territory, that there is that much more
21 activity in the New Solar Homes Partnership in the
22 PG&E service territory than there is in the other
23 two.

24 COMMISSIONER ROSENFELD: And why do you
25 think that is?

1 MS. HALL: I would be speculating at
2 this point. That is something that we're actually
3 trying to determine. But we do know that there is
4 a great deal more activity, has been throughout
5 the entire course of the program.

6 So that actually is something that we
7 are trying to determine. We are quite interested
8 in why that is. We applaud the greater amount of
9 activity in the PG&E service territory, and we're
10 looking at ways we could possibly increase the
11 activity in the other two.

12 VICE CHAIRPERSON BOYD: Those are late
13 to new home construction building permit, numbers
14 of building permits that --

15 MS. HALL: That's one of the things that
16 we're looking at to see whether or not that there
17 is a correlation there. I'm not sure that there
18 is a correlation on that. I think that there's
19 quite a bit of activity in the other two -- new
20 home construction in the other two areas. So we
21 don't -- we speculate at this point that that's
22 not the case, but we don't know for certain.

23 COMMISSIONER LEVIN: I had a similar
24 question. Some of this may be I'm new to the
25 program area, but even having heard Commissioner

1 Boyd's question and your answer, I'm not comforted
2 actually, to be honest, by that.

3 It didn't sound like performance
4 criteria, especially given the state of the
5 economy, the state of new home construction, to
6 have these sorts of increases not tied to a number
7 of homes.

8 And my understanding is that the number
9 of homes, 7000, the number of megawatts falls far
10 short of our expectations. So to have this kind
11 of an increase, which I'm not great at math,
12 either, but it looks like to me \$2.5 million over
13 two years is more than \$1 a year.

14 I'm just wondering shouldn't we develop
15 specific performance criteria, I mean number of
16 calls or number of homes per dollar. What happens
17 if the need falls far short because of the housing
18 market didn't get this money back.

19 And a totally unrelated question is why
20 are we paying for this, and not the PUC or the
21 IOUs, themselves, or the homeowners. Why is this
22 coming out of Energy Commission funds?

23 MS. HALL: I can probably take that last
24 one first. This is actually coming out of the
25 renewable resources trust fund for the original

1 money. And let's see, I need to double check
2 here. And it is renewable resources trust fund
3 for the augmentation, as well.

4 We had originally been trying to do all
5 of the work of this program here inhouse. And we
6 felt that it was not serving the Commission well,
7 nor was it serving our clients well.

8 This is a program in which you are
9 trying to coordinate both the renewable portion of
10 the PV and energy efficiency. And we developed
11 our levels of energy efficiency in coordination
12 with the utility, so that the utility new home
13 construction programs which offer incentives for
14 exceeding Title 24 could be married better.

15 So we could -- in the old process you
16 would have to come here and you would have to go
17 to the IOU to receive here the renewable portion
18 of the money, the PV incentive, and to the IOU for
19 the energy efficiency portion of the money, which
20 basically splits the program and makes it more
21 difficult for clients to participate.

22 By placing it with the IOUs it makes for
23 one-stop shop for the builders. And so they can
24 better have a more simplified approach, a single
25 place to go, get all their assistance in a more

1 comprehensive and logical manner. So we
2 deliberately moved this to the IOUs to do that.

3 The amount of money that we're using for
4 this administration of the program is remarkably
5 less than the percentage of money that is used for
6 the rest of the California Solar Initiative. So
7 we actually are getting a far better value for
8 administering this than for the rest of the solar
9 initiative.

10 And I have gone blank, I apologize, on
11 your earlier question.

12 MR. FOLKMAN: Maybe I can try to address
13 that. I'm Jim Folkman; I work in the renewables
14 office. And what we have here is these pots of
15 money; they are basically that. They're pots of
16 money that the utilities can draw from.

17 They are on an application volume basis
18 that, as the volume is there, then the invoices
19 can come in to us and we pay on that based upon
20 the volume. If the volume's not there invoices
21 don't come in, therefore the pot of money stays,
22 and we don't pay out.

23 So it's not we're just paying, you know,
24 for just some imaginary amount of projects and
25 applications that are coming in.

1 COMMISSIONER LEVIN: That makes much
2 more sense, thank you.

3 VICE CHAIRPERSON BOYD: Maybe for all of
4 our benefit, but maybe particularly Commissioner
5 Levin's benefit, you might explain a) the source
6 of revenues to the trust fund. Where does it
7 derive its monies. And secondly, maybe for all of
8 our benefit, -- and there's been a rough allusion
9 to the fact that the New Solar Homes Partnership
10 is part of the total California Solar Initiative,
11 and, you know, why we're doing it, I guess, is
12 because that's the component of the total program
13 that was assigned to the Energy Commission. Now
14 to the trust fund, where it derives its revenue.

15 EXECUTIVE DIRECTOR JONES: So let me
16 just answer that -- public goods charge money
17 that's levied by the Legislature. So it's the
18 same pot of money that we fund energy efficiency
19 programs from and research and development.

20 And in terms of your question about what
21 we do going forward with utilities in terms of
22 reimbursing them, I think it's a significant
23 question. Now that we've got a couple of years of
24 experience under our belt, I think it's time to
25 start looking at should the utilities be funding

1 this themselves. And looking at ways to
2 streamline and improve.

3 But we felt that to make sure that the
4 first couple years that the utilities were not
5 necessarily jumping up with joy in terms of
6 bearing the administrative burden for this. At
7 the same time we thought it was very important
8 that we provide the resources to get the program
9 on its feet and moving.

10 COMMISSIONER LEVIN: Thank you, all.
11 Those are very helpful answers.

12 VICE CHAIRPERSON BOYD: Any other
13 questions?

14 COMMISSIONER BYRON: I was very
15 interested in this topic, as well. In fact, I
16 think the staff sought me out for a briefing,
17 which I was very pleased to take because of some
18 comments I had made when we first approved this.

19 And they provided me with a number of
20 metrics and were able to answer most all of my
21 questions. So, I thank you very much. But I
22 notice, Ms. Hall, they sent you here for the
23 presentation, so --

24 (Laughter.)

25 COMMISSIONER BYRON: -- I was going to

1 ask you tough questions. But my fellow
2 Commissioners have already asked the two
3 questions.

4 And I am concerned that we're way behind
5 this goal, as well. I'm also concerned about the
6 -- utilities. I think, you know, there's another
7 \$2.5 million being spent that we need to evaluate
8 just because they have the touch point with
9 customers, are they the right organization to be
10 doing this. And I'm pleased to see the staff is
11 keeping very close tabs on that.

12 The differences between the north and
13 south that we're seeing, I think we really should
14 try and understand that because there are other
15 corporate objectives that may be in play.

16 But I'm generally convinced -- I'm very
17 convinced that the staff has done a good job of
18 evaluating and selecting this approach for this
19 administration of these applications. The costs
20 are similar between all the investor-owned
21 utilities.

22 But I think the real issue is that we
23 are way behind on this goal. And we need to try
24 and understand that. I'd appreciate any
25 additional insights you or the staff might have on

1 that. Not necessarily today, but in the future.

2 MS. HALL: One minor insight is that it
3 is a 400 megawatt goal. It is a ten-year program.
4 And we did expect sort of a slow start and that it
5 would ramp up. And you could say that perhaps we
6 were true and we have seen a slow start, made
7 worse by the housing crisis.

8 COMMISSIONER BYRON: Right.

9 MS. HALL: But the percent of
10 applications or reservations for the New Solar
11 Homes Partnership, compared to housing starts in
12 California, we did a rough calculation just
13 recently and it looks like we're about 9 percent.

14 So 9 percent of all new housing starts
15 at the moment are participating in the New Solar
16 Homes Partnership, which actually might be a
17 pretty good number to begin with.

18 COMMISSIONER BYRON: Well, --

19 MS. HALL: But we want to see that
20 increase to -- the goal is to have that increase
21 to 50 percent of housing starts by the end of
22 2016.

23 COMMISSIONER BYRON: And I understand
24 that, you know, the utilities, at least one, has
25 made it very clear they're going to get into the

1 ownership of photovoltaics. This is going to be
2 their business model going forward. And how does
3 that impact the goals of the state with regard to
4 homeowner ownership of photovoltaics.

5 So I think we need to look at this
6 carefully. I've asked that utility to come in and
7 meet with me and explain what their business goals
8 are.

9 But I'm just concerned that that may be
10 impacting these numbers, as well.

11 MS. HALL: Absolutely. We will be
12 looking into all things that we can discover.

13 COMMISSIONER BYRON: Okay.

14 VICE CHAIRPERSON BOYD: Questions or a
15 motion?

16 COMMISSIONER ROSENFELD: I move the
17 item.

18 COMMISSIONER BYRON: Second.

19 VICE CHAIRPERSON BOYD: There's a motion
20 and a second.

21 All in favor?

22 (Ayes.)

23 VICE CHAIRPERSON BOYD: Approved four to
24 nothing, and with the proviso that we'll get more
25 information. And Ms. Jones is going to be delving

1 into the delivery system.

2 MS. HALL: Thank you.

3 VICE CHAIRPERSON BOYD: Thank you.

4 MR. FOLKMAN: Thank you.

5 VICE CHAIRPERSON BOYD: Item 12,
6 Hydrologic Research Center. Possible approval of
7 contract 500-08-033 for \$1 million with Hydrologic
8 Research Center to refine and enhance an
9 integrated forecasting and decision support system
10 for northern California reservoirs.

11 I'm going to let Mr. O'Hagan give us the
12 details.

13 MR. O'HAGAN: Thank you, Commissioner
14 Boyd. Good morning, Commissioners. My name is
15 Joe O'Hagan; I'm in the PIER environmental area.
16 And I'm here before you this morning asking for
17 approval for a \$1 million PIER electric fund for a
18 project to enhance and refine the integrated
19 forecasting reservoir management system.

20 The INFORM, as we call it for short, is
21 a coupled forecasting and decision support system
22 of models to aid reservoir operators understand
23 potential reservoir inflows and to understand the
24 consequences of alternative management options,
25 both at the facility and downstream.

1 The forecasting component is focused on
2 four of northern California's major reservoirs,
3 Shasta, Trinity, Oroville and Folsom. And as
4 you're well aware, these are major components of
5 both the state and federal water projects. And
6 have over 1500 megawatts of hydroelectric
7 generating capacity installed.

8 The goal of this INFORM is to provide
9 probablistic runoff forecasts so the reservoir
10 operator knows, has a likelihood of what type of
11 inflows would occur.

12 Coupled with this system is the decision
13 support model which allows the facility operators
14 to understand balancing flood control,
15 environmental concerns, retention for water
16 supply, or hydropower generation, given the
17 forecast of reservoir inflows. And also it
18 addresses the Sacramento Valley hydrologic system
19 so you understand the downstream consequences of
20 these actions.

21 The first phase of this project
22 developed the model and demonstrated it quite
23 successfully. This was cofunded by the Energy
24 Commission, NOAA and CalFed.

25 We did a retrospective analysis that

1 shows that if the INFORM system had been used over
2 2006, 2007 and 2008 significant improvement in
3 hydropower generation and water retention at the
4 end of the wet season would have occurred. Need
5 to understand that that was sort of a
6 simplification, but it does show that the model
7 can work quite successfully.

8 What we're asking approval for today
9 would be research to bring this modeling system up
10 to operational status. There's biases in the
11 forecasting system that need to be resolved.
12 There's better digestion of information coming in
13 that would allow better, more robust model
14 predictions.

15 We would also expand the area addressed
16 in the decision support model to the whole state
17 and federal water projects down to San Luis
18 Reservoir and New Melones Dam, as well.

19 We would also incorporate some more
20 environmental concerns on downstream issues, as
21 well as flooding concerns downstream.

22 This is a unique prototype. It's the
23 first in the nation to take this approach in terms
24 of reservoir management. And so far it's been
25 very successful. So I ask your approval of this

1 further work on the project.

2 VICE CHAIRPERSON BOYD: Thank you, Mr.
3 O'Hagan. The question, are the federal and state
4 facility operators supporting, openly receptive to
5 what it is your work -- we are doing here, and
6 what the possible outcome of that might be?

7 I know we're in it for the hydroelectric
8 piece of it. There's going to be a spillover, a
9 significant spillover benefit to those who are
10 interested in just water yield. Like to see them
11 paying for some of this. But I think it's
12 important for us to proceed with it.

13 But are they receptive to all of this?
14 Are they going to embrace this when you're done?

15 MR. O'HAGAN: Yes. The federal
16 agencies, the Army Corps of Engineers, U.S. Bureau
17 of Reclamation, at the state level the Department
18 of Water Resources, some of the local agencies
19 like the Sacramento Area Flood Control Agency,
20 have all been heavily involved in this project
21 from the inception of it.

22 They've been very supportive. They've
23 participated with the researchers when they were
24 doing near real time analysis of how INFORM
25 performed versus the existing system.

1 They also had supported that these
2 additional research items, which is in the
3 proposal before you today, be conducted. NOAA and
4 the Bureau have been supportive, and support us
5 doing this work. The Department of Water
6 Resources also very supportive of this work. We
7 have a letter of support from Lester Snow, the
8 Executive Director.

9 So, they're all very interested in
10 seeing this go forward.

11 VICE CHAIRPERSON BOYD: Okay, thank you.
12 I would just make a note to whenever this
13 project's going to be done, I would suspect this
14 is, if the outcome is as positive as it sounds
15 like it will, this is probably deserving of quite
16 a bit of fanfare when it's unveiled and installed.
17 Maybe a multiple-agency event, or what-have-you.
18 But, in any event, something to keep in mind.

19 Any other questions? Commissioner
20 Byron.

21 COMMISSIONER BYRON: Mr. O'Hagan, I note
22 that everybody's talking about the weather, but
23 nobody does anything about it.

24 (Laughter.)

25 COMMISSIONER BYRON: So I --

1 COMMISSIONER ROSENFELD: But we're doing
2 a lot about it, we're --

3 COMMISSIONER BYRON: Well, and I think
4 this is a good project. I guess the only other
5 thing I'd ask, if you come back to us with a
6 contract amendment at some time in the future,
7 that perhaps could increase participation --
8 precipitation.

9 (Laughter.)

10 MR. O'HAGAN: I'll work on that.

11 COMMISSIONER LEVIN: I had a question
12 similar to Commissioner Boyd's comment about the
13 fanfare. Sort of an ongoing question of mine.
14 The staff here does such incredible work, across
15 so many different issue areas. And virtually of
16 them, I think, is leading the country.

17 It seems like this is a perfect example
18 of something that, assuming it works, we should be
19 sharing with other states and counterparts. And
20 somehow can we build that into the plan going
21 forward.

22 It's -- just yesterday I was in contact
23 with the State of Massachusetts on an issue where
24 we're both working on completely separated
25 isolated tracks. And it seems like it's in

1 everyone's interest, given that we are impacting
2 the climate, if not the actual weather, we need to
3 be more efficient across state boundaries.

4 So, just something for future reference.
5 I think it would be really helpful to know.

6 MR. O'HAGAN: Okay, thank you. I will
7 say that NOAA's been very very supportive of this,
8 and with the firm thought in mind that this would
9 be applied elsewhere.

10 VICE CHAIRPERSON BOYD: We wrote the
11 checks, we should be first in line.

12 Any other questions, comments?

13 COMMISSIONER ROSENFELD: I move the
14 item.

15 VICE CHAIRPERSON BOYD: There's a
16 motion.

17 COMMISSIONER LEVIN: Second it.

18 VICE CHAIRPERSON BOYD: And a second.

19 All in favor?

20 (Ayes.)

21 VICE CHAIRPERSON BOYD: Approved four to
22 nothing. Thank you, Joe.

23 MR. O'HAGAN: Thank you very much.

24 VICE CHAIRPERSON BOYD: Item 13, CTG
25 Energetics, Inc. Possible approval of contract

1 500-08-036 for \$689,558 with CTB -- I said CTG the
2 first time, now it says CTB. You'll have to
3 correct me, Mr. Bourassa.

4 COMMISSIONER BYRON: One of those is
5 right.

6 VICE CHAIRPERSON BOYD: -- to review
7 current greenhouse gas assessment activities and
8 make recommendations, so on and so forth. Mr.
9 Bourassa, first which is it? And second, would
10 you explain the item. I even missed this till
11 just now.

12 MR. BOURASSA: Yeah, I missed it
13 multiple times. Good morning, Commissioners. I'm
14 Mr. Norman Bourassa, or Bourassa, however you want
15 to pronounce it, team lead for the PIER buildings
16 program.

17 VICE CHAIRPERSON BOYD: Well, how do you
18 pronounce it? We want to pronounce it the right
19 way.

20 MR. BOURASSA: We've had this discussion
21 before.

22 (Laughter.)

23 MR. BOURASSA: French-Canadian,
24 Bourassa, is the correct way.

25 VICE CHAIRPERSON BOYD: Thank you.

1 MR. BOURASSA: But I'm in America right
2 now, so it's Bourassa.

3 (Laughter.)

4 MR. BOURASSA: And that's fine.

5 COMMISSIONER LEVIN: But the spelling's
6 correct, right?

7 MR. BOURASSA: Yes. As long as it's
8 spelled correct, I'm happy.

9 This proposed contract with CTG
10 Energetics will provide California with market --
11 stakeholder, develop protocols for the assessment
12 and quantification of greenhouse gas emissions
13 associated with the built environment.

14 The \$690,000 project was one of ten
15 contract awards resulting from technology
16 innovations for buildings and communities research
17 solicitation that the Energy Commission released
18 last year.

19 The certified contract manager for this
20 project will be David Weightman in the PIER
21 buildings group.

22 The Energy Commission proposes to use
23 this project to lead a series of collaborative
24 interdisciplinary research projects to develop
25 these protocols for the assessment and

1 quantification of greenhouse gas emissions
2 resulting from built environment activities.

3 The three sets of protocols that we
4 propose to release will be covering single
5 building, land use and infrastructure areas. And
6 the plan is to produce protocols that can help
7 quantify emissions in those three sector activity
8 areas.

9 The protocols will be developed through
10 a series of broadly representative technical
11 working groups. And each group will include
12 technical professionals, public agencies,
13 nongovernmental advocates, project developers,
14 legal advisers and academics, et cetera, from the
15 public cross-section of stakeholders.

16 Since the passage of AB-32 and the
17 resulting enforcement by the Attorney General
18 under CEQA over the last two years, construction
19 projects that have incorporated sustainability and
20 energy efficiency features in consideration of
21 greenhouse gas emissions has increased.

22 The protocols here will hopefully
23 support those, and potentially accelerate this
24 trend, as well as serve to link and leverage many
25 lines of Energy Commission research in these

1 areas.

2 The project is included in the 2008/2009
3 PIER buildings budget. The work scope has been
4 approved by contracts in legal, and the R&D
5 Committee has approve it. And I can answer any
6 questions if you have any.

7 VICE CHAIRPERSON BOYD: Thank you.
8 Questions or comments?

9 COMMISSIONER BYRON: None.

10 VICE CHAIRPERSON BOYD: Motion?

11 COMMISSIONER ROSENFELD: I move the
12 item.

13 COMMISSIONER BYRON: Second.

14 VICE CHAIRPERSON BOYD: There's a motion
15 and a second.

16 All in favor?

17 (Ayes.)

18 VICE CHAIRPERSON BOYD: It's approved
19 four to nothing. Thank you, Mr. Bourassa.

20 COMMISSIONER LEVIN: Can you get his
21 name --

22 VICE CHAIRPERSON BOYD: Bourassa.

23 MR. BOURASSA: Very good, that was very
24 good.

25 VICE CHAIRPERSON BOYD: Well, that

1 sounds Spanish, though, doesn't it?

2 Item 14 -- stick around, Mr. Bourassa,
3 we're not done with you.

4 Item 14, University of California Los
5 Angeles, otherwise known as UCLA, possible
6 approval of contract 500-08-029 for \$708,245 with
7 the university to develop additional features to
8 the Home Energy Efficient Design or HEED software
9 tool. Mr. Bourassa.

10 MR. BOURASSA: Thank you. This proposed
11 contract with UCLA is going to add a whole host of
12 features and capabilities to HEED. The \$708K
13 project again was one of ten contract awards from
14 the technology innovations for buildings and
15 communities research solicitation.

16 The additional features to HEED are
17 designed to help California, as you said, move
18 towards the residential net zero energy goals of
19 2020.

20 HEED, to give some background on what
21 HEED is, HEED is a user friendly computer program
22 that homeowners, builders, contractors and
23 architects use to simulate the energy consumption
24 of a residential home. I emphasize easy to use
25 because that has been the focus. It is a software

1 tool that is really geared toward the nonbuilding
2 simulation expert.

3 And as a result it's got a very large
4 user base in California, especially among
5 homeowner builders, the more lay energywise
6 contractor types and design build, and architects.
7 Architects really don't want to deal with advanced
8 simulation tools.

9 So the tool can be used very effectively
10 for both new construction and major renovation
11 projects on existing homes.

12 The tool is based off of simplified
13 calculation algorithms that have been PIER-
14 developed through ASHRAE. And as a result it's a
15 very validated simulation tool.

16 This project's going to add
17 approximately 35 additional features to the
18 existing software capabilities, significantly
19 increasing the robustness and the capabilities of
20 the tool.

21 Three notable examples are that this
22 project will add in the CEC PV calculator for
23 calculating the hourly performance of
24 photovoltaics and solar domestic hot water
25 systems, which is good. That'll get some

1 consistency in the tool with respect to the use of
2 our own program, and Title 24 compliance, as well.

3 It's also going to add a thermal comfort
4 calculator module which will help analyze the
5 occupant comfort impacts due to energy efficiency
6 upgrades, which is something that can be kind of a
7 problem sometimes; it can get too aggressive with
8 some energy savings space conditioning
9 technologies.

10 And the work that will be added into
11 this actually builds upon already PIER-funded work
12 with the UC Berkeley and the Center for the Built
13 Environment. We're doing this work for commercial
14 buildings.

15 And also we're going to be adding
16 capabilities for very simple and streamlined
17 simulation result export capabilities into Title
18 24 residential compliance software. We actually
19 have some built-in collaboration in the works with
20 some of the vendors that produce those compliance
21 software programs.

22 The project also includes a strong
23 effort to conduct public workshops throughout the
24 state to help provide outreach and training to the
25 user base, and help educate the public with

1 respect to the benefits of using simulation for
2 home, energy efficient home design.

3 So the project is included in the 08/09
4 PIER buildings budget. The work scope has been
5 approved by contracts and legal; and the R&D
6 Committee has approved this project.

7 Any questions?

8 VICE CHAIRPERSON BOYD: Thank you.

9 Questions, comments?

10 COMMISSIONER BYRON: No.

11 VICE CHAIRPERSON BOYD: Motion?

12 COMMISSIONER ROSENFELD: Norm, I have a
13 question for you. This has features that the
14 existing compliance tool doesn't have?

15 MR. BOURASSA: Right.

16 COMMISSIONER ROSENFELD: And so you're
17 going to make it interoperable somehow?

18 MR. BOURASSA: Right. Rather than --
19 the discussions have been with ENERGYPRO and
20 ENERGYSOFT. And rather than having to rebuild the
21 model of the home from scratch in the ENERGYPRO
22 tool, these features will actually allow the
23 compatible parts of the model that have already
24 been built up, and also some of the calculations
25 with respect to some of the prescriptive

1 requirements in Title 24, to just be
2 electronically imported into the ENERGYPRO tool.
3 It will greatly simplify the process of
4 demonstrating compliance.

5 COMMISSIONER ROSENFELD: Okay. I move
6 the item.

7 COMMISSIONER LEVIN: Second it.

8 VICE CHAIRPERSON BOYD: There's a motion
9 and a second.

10 All in favor?

11 (Ayes.)

12 VICE CHAIRPERSON BOYD: Approved four to
13 nothing. Thank you.

14 Item 15, University of California
15 Irvine. Not to be outdone by UCLA. Possible
16 approval of contract 500-08-034 for \$1,132,714
17 with UCI to develop criteria that will help system
18 operators predict the impacts of differing fuel
19 composition, et cetera. Ms. Mueller.

20 COMMISSIONER ROSENFELD: What did you do
21 to your arm?

22 MS. MUELLER: Oh, I was having too much
23 fun skiing; I fractured it. Soon to come off,
24 hopefully, the thing here I'm wearing.

25 Good morning, I'm Marla Mueller, and I'm

1 with the PIER environmental program. The goal of
2 this project is to develop criteria that can be
3 used to predict how combustion devices will behave
4 in fuel when it's changed from natural gas to a
5 different type of fuel, such as landfill gas,
6 biomass, LNG.

7 This will be valuable to help combustion
8 system operators, manufacturers, regulatory
9 agencies evaluate the implications of using
10 different fuels.

11 When compositions of natural gas change
12 the property shifts can be significant, and this
13 can impact how these devices operate. In order to
14 use alternative fuels safely we need to better
15 understand the properties of these fuels.

16 Currently what happens is that we're
17 depending on tests and methods that were developed
18 in the '20s, '30s and '40s. This was a time when
19 devices that were used were much simpler. They're
20 not as -- they didn't have the low NOx burners,
21 all the controls that we use on these devices now.

22 And mainly it relies on testing of these
23 different devices. What we're trying to do here
24 is develop criteria that would allow you to
25 predict what's going to happen without having to

1 do so many testing, which is very expensive.

2 The objective of this project is to
3 increase the knowledge of combustion
4 characteristics of gaseous fuels and to develop
5 appropriate gaseous fuel interchangeability
6 criteria that can improve predictability of
7 combustion behaviors of different fuels and
8 emissions.

9 I'd like to point out this does support
10 the IEPR goal to increase the diversity of its
11 natural gas supply to insure no net material
12 increase in air pollution, water pollution or any
13 other substances that are known to damage human
14 health, by developing measures that can better
15 predict what will happen.

16 Thank you.

17 VICE CHAIRPERSON BOYD: Thank you, Ms.
18 Mueller. I would just say, as one who's lived
19 with this gas quality issue for more than a
20 decade, I see this as a very positive step in a
21 good direction to help answer some of the
22 questions that have been air quality-related, as
23 well as just energy related.

24 Any questions or comments?

25 COMMISSIONER ROSENFELD: Yeah. I'm

1 probably admitting I haven't read the briefing
2 section for item 15, but natural gas is used for a
3 huge variety of things all the way from fueling a
4 power plant to fueling your kitchen stove.

5 And I guess I'd like some sort of idea
6 about what the big customer is for this
7 information.

8 MS. MUELLER: We're going to try to make
9 it as broad as we can, so we're not selecting one
10 particular area at this point. We are going to
11 try to -- this is going to be very basic research.
12 where they're looking at the very characteristics.
13 And we're going to try to make it as applicable,
14 as broad as we can to as many appliances -- or
15 shouldn't even call them appliances -- devices
16 that would use natural gas.

17 EXECUTIVE DIRECTOR JONES: And I guess I
18 would add that some of the recipients of the
19 information here would be those who may be
20 producing or using biofuels and other alternative
21 fuels either for power generation or hopefully in
22 the transportation sector.

23 So, I think it has wide application.

24 VICE CHAIRPERSON BOYD: Any other
25 questions? Yes, Commissioner Byron.

1 COMMISSIONER BYRON: Ms. Mueller, I have
2 a feeling I know the answer to this, but I want to
3 ask anyhow. Why don't we take a different
4 approach to this problem, and I haven't been
5 dealing with it as long as Commissioner Boyd has,
6 but why not develop a standard and let industry
7 meet that standard, so that we don't have to be
8 concerned about this sort of thing. Or is that
9 not possible?

10 MS. MUELLER: I think the issue here is
11 that you have different devices that behave
12 differently. So one standard wouldn't necessarily
13 fit every situation.

14 COMMISSIONER BYRON: Um-hum.

15 VICE CHAIRPERSON BOYD: I, perhaps,
16 should not have injected the gas quality component
17 into this discussion because this is slightly
18 different. As I see it, no matter what -- if we
19 have a standardized single gas flowing through
20 pipelines, no matter what its origins were, we're
21 still going to have the various devices react to
22 that gas.

23 And we've let too many years go by not
24 knowing that. And there have been too many
25 debates about the air quality impacts, the device

1 durability impacts, et cetera, as I've seen it,
2 anyway.

3 And, Marla, I don't know if I'm muddling
4 this up or helping answer the question.

5 MS. MUELLER: I think that's correct.
6 And, for example, we have, in some testing we're
7 doing right now, we're looking at industrial
8 burners. And all industrial burners --

9 COMMISSIONER ROSENFELD: I'm sorry,
10 looking at what burners?

11 MS. MUELLER: Industrial burners.

12 COMMISSIONER ROSENFELD: Industrial
13 burners.

14 MS. MUELLER: Yeah. And we're finding
15 that they don't all behave the same. Because
16 they, you know, some are burning at higher
17 temperatures and their flame characteristics are
18 different.

19 So we're finding, in one case we're
20 finding that CO is going up, the index is going
21 up. But for the other burners it's not a
22 situation.

23 So if we just had one standard it
24 wouldn't necessarily cover every application out
25 there.

1 COMMISSIONER BYRON: But is it possible
2 that this work could eventually lead to a standard
3 or set a standards for gas or alternative gas
4 products?

5 MS. MUELLER: I think it would certainly
6 give you guidance on parameters that should be
7 included in a standard. So, I think it could give
8 you some information that might -- I'm not sure it
9 will answer the question, this project. We may be
10 able to -- it would give you some information that
11 would let you know what you needed to evaluate or
12 what you needed to consider in setting a standard.

13 COMMISSIONER BYRON: Well, if no one
14 else is doing work in this area, and you're
15 leading the way, I'd certainly ask that you think
16 about how your results might apply. Because
17 perhaps, at least in my thinking, that's where
18 this should be headed.

19 I'm willing to accept that I don't
20 completely understand the problem, but standards
21 are a good thing. And that way the cost and
22 responsibility is put on industry in order to make
23 sure these appliances will take these alternative
24 gases -- alternative fuels.

25 MS. MUELLER: Okay.

1 COMMISSIONER BYRON: Thank you.

2 MS. MUELLER: Um-hum.

3 COMMISSIONER BYRON: I'd move the item.

4 COMMISSIONER ROSENFELD: Second.

5 VICE CHAIRPERSON BOYD: Motion and a

6 second.

7 All in favor?

8 (Ayes.)

9 VICE CHAIRPERSON BOYD: Carries four to
10 nothing. Thank you, Marla.

11 MS. MUELLER: Thank you.

12 VICE CHAIRPERSON BOYD: Item 16,
13 University of Missouri Columbia. Possible
14 approval of contract 500-08-022 for \$1 million
15 with the University of Missouri Columbia to
16 develop an advanced adsorbed natural gas tank for
17 natural gas vehicle onboard and fueling station
18 storage applications. Mr. Smith.

19 MR. SMITH: Good morning, Commissioners.
20 My name is Mike Smith; I'm the deputy director for
21 fuels and transportation here at the Commission.

22 And as you described, Commissioner Boyd,
23 this is a demonstration project with the
24 University that hopefully will address a fairly
25 critical design issue with natural gas vehicles.

1 Presently one of the major problems that
2 these vehicles face is the storage of fuel. And
3 this fuel is generally stored in high pressure,
4 about 3600 psi, in large, heavy, metal containers.

5 So not only does it add weight to the
6 vehicle, it takes up space. There's not much
7 flexibility in the design of the fuel storage with
8 respect to the vehicle.

9 What this technology will do is add,
10 create a certain -- create significant
11 flexibility. It's a substance -- nanoporous
12 briquette material made from, of all things, corn
13 cobs. Now that's about as far as I'm going to be
14 able to explain how you take corn cobs and turn
15 them into natural gas storage tanks.

16 But the results, you know, it looks very
17 very promising. And probably the primary benefits
18 that come out of this are, as I mentioned earlier,
19 the flexibility of designing the storage tank
20 around the vehicle.

21 It also allows the tank to store the
22 fuel under much much lower pressure. So, in
23 dropping from what is now about 3600 psi storage
24 pressure, down to about 500 psi. A considerable
25 difference.

1 It also allows the storage of more fuel
2 onboard, so you're increasing the range of the
3 vehicles. The material is much lighter weight, so
4 hopefully you're increasing the efficiency of the
5 vehicles.

6 Another interesting aspect to this, if
7 this proves out, is that it could have similar
8 benefits to the design of hydrogen storage
9 facilities, or storage systems on vehicles, which
10 also could bring the pressures down considerably,
11 and address a really critical issue with respect
12 to the design and operation of hydrogen fuel cell
13 vehicles.

14 So, we're very excited about this
15 project. There's a match share of about \$617,000.
16 So we're asking for your approval. It's been
17 reviewed and approved by both the RD&D Committee
18 and the Transportation Committee.

19 And I'll be more than happy to answer
20 any questions if you have any.

21 VICE CHAIRPERSON BOYD: Thank you, Mr.
22 Smith. Any questions or comments?

23 COMMISSIONER BYRON: Well, the uses of
24 corn never seem to cease to amaze me here. Now
25 we're using the cob of the corn. So, --

1 VICE CHAIRPERSON BOYD: It might have a
2 very --

3 MR. SMITH: Nothing goes to waste.

4 COMMISSIONER BYRON: Yes.

5 VICE CHAIRPERSON BOYD: It might have a
6 very good foot imprint.

7 COMMISSIONER BYRON: No, the numbers
8 sound very encouraging. So, a very interesting
9 research project. And I'm glad to see there's
10 significant matching funds, also.

11 I'll move the item.

12 COMMISSIONER ROSENFELD: Second.

13 VICE CHAIRPERSON BOYD: A motion and a
14 second.

15 All in favor?

16 (Ayes.)

17 VICE CHAIRPERSON BOYD: Motion carries
18 three to nothing. Thank you, Mr. Smith.

19 MR. SMITH: Thank you.

20 VICE CHAIRPERSON BOYD: Now a different
21 Mr. Smith. Item 17, California Department of
22 Technology Services. Possible approval of
23 contract 200-09-001 for \$600,000 for a four-year
24 period with the California Department of
25 Technology Services. Mr. Larry Smith.

1 MR. SMITH: Yes. Good morning,
2 Commissioners. I'm Larry Smith; I'm the chief
3 information officer for the Energy Commission.

4 And here I'm seeking the approval for
5 continuing the interagency agreement with the
6 Department of Technology Services, formerly known
7 as Teale Data Center.

8 And this provides us a state-mandated
9 automated connectivity with several control
10 agencies with that being Department of Finance for
11 their CalStars or accounting systems; Department
12 of Personnel Administration for personnel
13 transactions; and the State Controller's Office
14 for payroll.

15 And in this particular interagency
16 agreement we are asking for there is a \$50,000
17 annual increase. And that is our fair share in
18 the Governor's portal, and that we are looking at
19 increasing our bandwidth over the internet and
20 email services that the DTS, or Department of
21 Technology Services, provides.

22 So, I am requesting approval for the
23 interagency agreement in the amount of \$600,000
24 for a four-year contract at an annual \$150,000
25 rate.

1 VICE CHAIRPERSON BOYD: Thank you.
2 Questions, comments from Commissioners? A motion?
3 COMMISSIONER BYRON: I'll move the item.
4 COMMISSIONER ROSENFELD: Second.
5 VICE CHAIRPERSON BOYD: There's a motion
6 and a second.
7 All in favor?
8 (Ayes.)
9 VICE CHAIRPERSON BOYD: Item carries
10 three to nothing, thank you, Mr. Smith. But don't
11 go away.
12 COMMISSIONER ROSENFELD: Don't go away,
13 yes.
14 VICE CHAIRPERSON BOYD: Item 18, Andes
15 Consulting, LLC. Possible approval of purchase
16 order 08-409.00-008 for \$75,000 with said company
17 to provide programming services for application
18 and database support. And, Mr. Smith, I'll let
19 you elaborate.
20 MR. SMITH: And this system is the
21 energy efficiency financing system. And it's also
22 known as the loan master. And we're planning to
23 incorporate this into our existing grants and
24 loans systems. And we're doing this for the
25 information technology best practices of putting

1 all grants and loans information in one location.
2 So that we don't have multiple systems and data
3 throughout the Commission.

4 This is for the special projects office
5 now with the fuel and transportation division.
6 And this covers the energy efficiency planning
7 program, the Bright Schools Partnership, and the
8 energy partnership program.

9 And so we are requesting a purchase
10 order in the amount of \$75,000 for a six-month
11 period, to incorporate the system into the grants
12 and loans.

13 VICE CHAIRPERSON BOYD: Thank you.
14 Questions? Comments?

15 COMMISSIONER BYRON: One quick question.
16 As far as general question, Mr. Smith, but I'm not
17 terribly familiar with the state's contracting
18 laws and rules. This was competitively --

19 MR. SMITH: This was, yeah; this was a
20 California multiple schedule --

21 COMMISSIONER BYRON: \$75,000 award.
22 About how long does it take for this Commission to
23 process something like that, to get to the point
24 we are today, approving.

25 MR. SMITH: You mean to process the --

1 COMMISSIONER BYRON: Conceptualize, bid
2 it, receive, evaluate and here we are approving.

3 MR. SMITH: It's about a three-month
4 period.

5 COMMISSIONER BYRON: Well, that's very
6 good.

7 EXECUTIVE DIRECTOR JONES: And that is
8 an expedited process where you go to contractors
9 who've already negotiated with DGS and have
10 established rates.

11 COMMISSIONER BYRON: Good.

12 EXECUTIVE DIRECTOR JONES: So you don't
13 have to go out with a full RFD.

14 COMMISSIONER BYRON: I'm encouraged.
15 Thank you. I move the item.

16 COMMISSIONER ROSENFELD: Second.

17 VICE CHAIRPERSON BOYD: Motion and
18 second.

19 All in favor?

20 (Ayes.)

21 VICE CHAIRPERSON BOYD: Approved three
22 to nothing. Thank you.

23 Item 19, Public Sector Consulting
24 Services. Possible approval of a purchase order
25 08-409.00-004A for \$43,740 to said company to

1 amend the existing purchase order for technical
2 support for the PIMS system, as we call it. Mr.
3 Smith.

4 MR. SMITH: This is amendment 1 to an
5 existing contract. And it was also competitively
6 bid through the California multiple awards
7 schedule.

8 This is, we're looking at some
9 additional business requirements that are being
10 added to the program information management system
11 in that we are currently implementing AB-118 data
12 into the system. And we also are now looking at
13 the Governor's executive order for renewable
14 energy and the federal stimulus package.

15 And so there's some more requirements
16 that are going into the system. And so we wanted
17 to make sure that we had the programming and
18 business analysis staff available to make sure
19 that that is incorporated into the existing PIMS
20 system.

21 We do have a follow-on project, COMTS,
22 or Commission Energy -- or 9 Commission tracking
23 system, Energy Commission tracking system, that
24 will relook at replacing the PIMS environment, as
25 we see it today. And we have consultants

1 currently onboard writing the feasibility study to
2 do that.

3 But for this particular piece here we
4 need to make sure that we have staff onboard to
5 get the Governor's executive order and federal
6 stimulus package data into the system.

7 VICE CHAIRPERSON BOYD: Thank you.
8 Questions, comments?

9 COMMISSIONER BYRON: No, sounds --

10 VICE CHAIRPERSON BOYD: Motion.

11 COMMISSIONER ROSENFELD: I move the
12 item.

13 COMMISSIONER BYRON: I second it.

14 VICE CHAIRPERSON BOYD: A motion and a
15 second.

16 All in favor?

17 (Ayes.)

18 VICE CHAIRPERSON BOYD: Approved three
19 to nothing. Thank you very much. One more, Mr.
20 Smith.

21 CAMCO Communications Corporation.
22 Possible approval of purchase order 08-409.00-010
23 for \$84,300 to said company for the Commission's
24 website server co-location services. Again, Mr.
25 Smith.

1 MR. SMITH: CAMCO Communication
2 Corporation is who won the bid for this award.
3 And the datacenter that the website is currently
4 housed at is Hercules Data Center. And CAMCO won
5 the award again, and we're going to continue to
6 have our datacenter or the website at Hercules
7 Data Center.

8 The reason for being offsite is that we
9 need, you know, we need 24/7 technical support.
10 And so that, you know, it's being monitored all
11 the time because the website is our public facing
12 system, and provides information out from the
13 Energy Commission.

14 We do have a backup system in place here
15 at 1516 Ninth Street. And should the website fail
16 at the Hercules Data Center, it will automatically
17 fail over to the website. And it's a mirror image
18 of the website here. And it will fail over and
19 then run here until the Hercules site is then
20 brought back up.

21 And we're asking for this approval of
22 the purchase order with CAMCO Communication
23 Corporation in the amount of \$84,300 for four
24 years.

25 VICE CHAIRPERSON BOYD: So, as I

1 understand it, the primary is offsite and the
2 secondary is here onsite.

3 MR. SMITH: That's correct.

4 VICE CHAIRPERSON BOYD: Okay. Any
5 questions?

6 COMMISSIONER BYRON: I can't help but
7 ask, how long have we been doing this? Do you
8 know how long we've been having the mirrored
9 datacenter?

10 MR. SMITH: I think -- at this
11 particular datacenter?

12 COMMISSIONER BYRON: No, in general, --

13 VICE CHAIRPERSON BOYD: At any --

14 COMMISSIONER BYRON: -- does anybody
15 know?

16 MR. SMITH: I think it's eight years,
17 but for --

18 COMMISSIONER BYRON: We've been doing it
19 for eight years?

20 MR. SMITH: Well, no, four years, and
21 this will be an additional four.

22 MR. DAVIS: My name's Derek Davis, and I
23 can answer that question for you, sir. The
24 webserver has always been at an outside location
25 for the last ten years. It moved from place to

1 place, from San Jose to San Diego --

2 COMMISSIONER ROSENFELD: Excuse me, do
3 you have your mike on?

4 MR. DAVIS: Yes, can you hear me?

5 COMMISSIONER ROSENFELD: Yes, --

6 VICE CHAIRPERSON BOYD: Get closer is
7 the secret.

8 MR. DAVIS: Yes, sir.

9 COMMISSIONER LEVIN: And can you repeat
10 your name for the record, please.

11 MR. DAVIS: Derek Davis, I'm the
12 supervisor of network services. And the website
13 has always been located offsite for the last ten
14 years or so. It has moved from place to place,
15 San Jose to San Diego, different co-location
16 sites.

17 We have consolidated in the last --
18 about six or seven years ago to Sacramento for
19 more manageability and more control.

20 With the Hercules site, one of the
21 requirements was that the personnel and the
22 equipment, everything it needed for 24/7 we didn't
23 have that here in the Commission. And also to, as
24 moving forward, to meet with some of the
25 Governor's initiative and OCIO is disaster

1 recovery possibilities in the future. So this is
2 kind to meet a dual role.

3 COMMISSIONER BYRON: Well, thank you.
4 And the reason I asked is because eight or ten
5 years ago, working in this business, there was a
6 great deal of interest in higher reliability
7 services. You know, we maintain a datacenter on
8 behalf of the government for a different reason
9 than the private sector might.

10 You know there were servers at Oracle,
11 when I was there, that were moving a billion
12 dollars a day, or around there. And so the high
13 reliability issues were pretty significant. I
14 remember writing a paper on this issue about ten
15 years ago.

16 Of course, we anticipated that we would
17 go for six-nines, you know, high reliability
18 electric power was the answer. But I think what
19 we found is exactly what the Energy Commission is
20 doing. It's a lot less expensive to mirror these
21 datacenters and to mirror the capabilities that
22 you need somewhere else --

23 MR. DAVIS: Yes, sir.

24 COMMISSIONER BYRON: -- as a backup.
25 So, I was just very curious as to how long we've

1 been doing it, because I think the rest of the
2 industry figured it out about that time, as well,
3 that that's the right approach to take.

4 MR. DAVIS: Yes, sir.

5 COMMISSIONER BYRON: So, thank you for
6 indulging me on that question.

7 MR. DAVIS: Yes, sir.

8 VICE CHAIRPERSON BOYD: Any other
9 questions? Motion?

10 COMMISSIONER ROSENFELD: Atlas looks
11 like he wants to say something.

12 VICE CHAIRPERSON BOYD: Oh, excuse me.

13 MR. HILL: Actually, I was getting ready
14 to leave, but I will say --

15 COMMISSIONER BYRON: You have to come to
16 the microphone, Atlas.

17 MR. HILL: I'll be more than happy to,
18 sir. I just wanted to say that we are in five-
19 nines on that particular server.

20 VICE CHAIRPERSON BOYD: A motion.

21 COMMISSIONER BYRON: I move approval of
22 item 20.

23 COMMISSIONER ROSENFELD: I second it.

24 VICE CHAIRPERSON BOYD: A motion and a
25 second.

1 All in favor?

2 (Ayes.)

3 VICE CHAIRPERSON BOYD: Motion carries
4 four to nothing. Thank you, Mr. Smith.

5 Item 21 is our minutes, but I regret to
6 announce that a), item a), which has been
7 postponed in the past will have to be put over yet
8 again because we lack the appropriate number of
9 people here present today to approve the item. We
10 got two out of three, but we need the third.

11 So, all we have before us is minutes
12 listed under b), March 11, 2009.

13 COMMISSIONER ROSENFELD: I move item b).

14 COMMISSIONER LEVIN: Second it.

15 VICE CHAIRPERSON BOYD: A motion and a
16 second. And I have to glance again if -- yes, we
17 can all vote on this one. All right.

18 All in favor?

19 (Ayes.)

20 VICE CHAIRPERSON BOYD: Minutes are
21 approved.

22 Item 22, Commission Committee
23 presentations or discussions or what-have-you.
24 Does anybody have an item they would choose to --

25 COMMISSIONER BYRON: It's not a

1 Committee presentation, Vice Chair Boyd, but I'd
2 just like to point out that we just approved about
3 a few schekels short of \$9.5 million worth of
4 Commission work today.

5 VICE CHAIRPERSON BOYD: Is that a good
6 day's work?

7 COMMISSIONER BYRON: I don't think
8 that's a record, of course, much higher. But a
9 number of contracts. And our Executive Director
10 tells me that that may be because we're getting
11 close to year-end. But I suspect we'll see more.

12 But I thought it was rather significant.
13 I don't recall one in my tenure that was quite
14 that big.

15 That's all I wanted to say.

16 VICE CHAIRPERSON BOYD: I might mention
17 that Commissioner Byron and myself, both,
18 representing the Electricity and Natural Gas
19 Committee, which we happen to be both on it, and
20 maybe the Research Committee, yesterday attended
21 an event here in this building that we basically
22 helped sponsor, called the Third Annual Carbon
23 Capture and Sequestration Stakeholders Group.

24 We had President Peevey, ourselves, the
25 Director of Conservation, a representative of the

1 Chair of the Air Board, and the Secretary of
2 CalEPA, as well as a large number of interested
3 private sector and other government agencies
4 folks.

5 This was a meeting really hosted by both
6 the PUC, ourselves, and the National Energy
7 Technology Laboratory. These are the people who
8 financed our WESTCARB program for all of its three
9 phases. And this was a continuation of
10 discussions that started a couple of years ago on
11 the whole concept of carbon capture and storage.

12 And I would just say that -- and this
13 time we got the Director here. And we and he, I
14 think, were very pleased with the conduct and the
15 outcome of yesterday's meeting, spreading
16 knowledge on the subject and expanding knowledge
17 on the part of many many people, particularly the
18 investor-owned utilities, some of whom have
19 ventured into this arena. PG&E made a public
20 announcement yesterday that they wanted to also,
21 and they have heretofore not, done that.

22 I had suggested it be here in Sacramento
23 so we could get more state agencies. And they
24 were all informed and educated on the topic. And
25 I think everybody walked away quite satisfied.

1 And I got a commitment from all the state agencies
2 in the room that we'd get back together, just as
3 state agencies, to discuss this issue and maybe
4 try to speak with one voice and move the subject
5 forward.

6 I took the Director over to meet with
7 Assemblyman Blakeslee later in the day, who is
8 passionately interested in this subject. And he
9 was very pleased with the discussion.

10 And as Commissioner Byron mentioned
11 earlier, he and I bumped into Assemblyman
12 Blakeslee at dinner last night, who talked to us
13 even more about that subject and others.

14 So, anyway, I think for a change --
15 maybe not for a change, but we had a very good
16 outcome and a lot of support for what we're doing.
17 And if there were any questions about our
18 capabilities to carry out WESTCARB or anything
19 about it, I know the Director is ecstatic in his
20 enthusiasm for this agency now.

21 So that was a good day's work, I
22 thought.

23 COMMISSIONER BYRON: In fact, if I could
24 just add, comments directed toward our Executive
25 Director, I know you're concerned about resources

1 adding this particular item to the scope of IEPR
2 for this year. I detest when others do that, I
3 shouldn't do it either, to our Integrated Energy
4 Policy Report scope this year.

5 And I think yesterday's input was very
6 valuable; helped inform the Committee. And there
7 is some activity moving forward in this area,
8 despite the fact that it's certainly long-range
9 research that's going on.

10 So it was valuable input, I think. I
11 think it helped to serve, to some extent, as a
12 workshop, which we have plenty of on the calendar
13 going forward.

14 VICE CHAIRPERSON BOYD: There were many
15 revelations. You just reminded me of one, perhaps
16 the most important, was from the whole audience I
17 think we finally severed the chain linkage between
18 carbon capture and sequestration and coal.

19 I mean it's not the thing that's there
20 to save the coal power plant industry. It's got
21 multiple applications to industries, including
22 natural gas fired power plant operations, et
23 cetera, et cetera.

24 So I thought that was a major success.

25 COMMISSIONER BYRON: Um-hum.

1 VICE CHAIRPERSON BOYD: Okay.

2 COMMISSIONER ROSENFELD: So you were
3 saying that there's interest from the gas fired
4 power plants, also?

5 VICE CHAIRPERSON BOYD: The gas fired
6 power plants, the refining industry saw the light
7 yesterday in terms of what they'll probably have
8 to do at refineries in the future.

9 One great revelation there was the
10 incredible amount of CO2 that's released in
11 geothermal power plants. And so this quest for
12 renewables, including geothermal, probably we need
13 to take a second look at the geothermal component
14 of it. It's not as clean as maybe perception
15 would have it.

16 So on and so forth. So, things --

17 COMMISSIONER ROSENFELD: Where does the
18 CO2 come from geothermal?

19 VICE CHAIRPERSON BOYD: It just comes up
20 naturally with the steam, or hot water, in the
21 case of brine plants.

22 COMMISSIONER ROSENFELD: Well, I didn't
23 know any of that.

24 VICE CHAIRPERSON BOYD: I didn't,
25 either.

1 COMMISSIONER BYRON: The conclusion I
2 took from it, Commissioner, is that not
3 necessarily that geothermal is bad.

4 VICE CHAIRPERSON BOYD: No.

5 COMMISSIONER BYRON: It's just that we
6 are going to have to address capture and
7 sequestration in just about every form of
8 generation technology that we're going to pursue
9 if we're going to be serious about reaching the
10 2050 goals.

11 COMMISSIONER ROSENFELD: Okay. Learned
12 something.

13 VICE CHAIRPERSON BOYD: Learned
14 something.

15 COMMISSIONER LEVIN: Seems to me the
16 take-away message is more energy efficiency.

17 VICE CHAIRPERSON BOYD: Um-hum.

18 COMMISSIONER LEVIN: In all stages.

19 VICE CHAIRPERSON BOYD: And we did press
20 upon these people repeatedly the loading order.

21 Any other presentations, comments?

22 Chief Counsel's report.

23 CHIEF COUNSEL CHAMBERLAIN: Thank you,
24 Mr. Chairman. I simply want to report that at the
25 Commission's next business meeting I anticipate

1 Assistant Chief Counsel Jonathan Blees will be
2 joining you. I anticipate representing the
3 Commission that week at the meetings of the
4 Western Interstate Energy Board, the Western
5 Interconnection Regional Advisory body, and the
6 Committee on Regional Electric Power Cooperation.

7 I can send you all the agenda for those
8 meetings. I think one of the principal things
9 that we'll be talking about is the ongoing work of
10 the Western Governors Association to identify
11 renewable energy zones throughout the west. And
12 the interest of the federal government in
13 assisting the west in organizing an
14 interconnection-wide transmission expansion plan
15 for those renewable energy resources.

16 We anticipate having members of the
17 Federal Energy Regulatory Commission and the DOE
18 Staff at this meeting, along with industry and
19 obviously government representatives from the
20 various western states and provinces.

21 VICE CHAIRPERSON BOYD: Thank you, Mr.
22 Chamberlain. I look forward to your after-trip
23 reports --

24 COMMISSIONER BYRON: Yeah.

25 VICE CHAIRPERSON BOYD: -- more

1 anxiously than I do the agenda to the meetings.

2 COMMISSIONER BYRON: I want --

3 VICE CHAIRPERSON BOYD: Keep up the good
4 work.

5 COMMISSIONER BYRON: -- I want both,
6 however. And we'll talk tomorrow. I'd also like
7 to thank you for not word-izing those acronyms,
8 but saying them all out for me.

9 VICE CHAIRPERSON BOYD: Acronym alphabet
10 soup.

11 Okay, thank you, Mr. Chamberlain.

12 Executive Director's report.

13 EXECUTIVE DIRECTOR JONES: I have
14 nothing to report today. And the Legislative
15 Director doesn't have anything to report today.
16 And the Public Adviser had to leave, and she said
17 she doesn't have a report today.

18 VICE CHAIRPERSON BOYD: Thank you.

19 Public comment. Seeing no public, only
20 Sylvia back there in the back of the room keeping
21 up the image of an audience.

22 We stand adjourned.

23 (Whereupon, at 11:59 a.m., the business
24 meeting was adjourned.)

25 --o0o--

CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter,
do hereby certify that I am a disinterested person
herein; that I recorded the foregoing California
Energy Commission Business Meeting; that it was
thereafter transcribed into typewriting.

I further certify that I am not of
counsel or attorney for any of the parties to said
meeting, nor in any way interested in outcome of
said meeting.

IN WITNESS WHEREOF, I have hereunto set
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